GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:51
ANSWERED ON:10.08.2007
RENEWABLE ENERGY GENERATION BY NTPC
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Will the Minister of POWER be pleased to state:

(a) whether National Thermal Power Corporation (NTPC) has signed a MoU with Asian Development Bank (ADB) for entering into renewable power generation in the country as reported in the Business Line dated July 27, 2007;

(b) if so, the details thereof; and

(c) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (c) : NTPC Ltd. has signed a Memorandum of Understanding (MoU) with Asian Development Bank (ADB) on 23rd July 2007 for setting up of a Joint Venture Company to undertake Renewable Power Generation.

As per the MoU between NTPC Ltd. and Asian Development Bank (ADB), the intent is to establish a Joint Venture (JV) Company initially with the participation of NTPC Ltd. and other strategic investors with equity shareholding of upto 50% by NTPC Ltd. (and other government entities) and balance equity share holding contributed by other strategic investors. Strategic investors shall be selected by NTPC Ltd. and ADB. After fulfillment of certain conditions, ADB is expected to acquire 20% stake at a later stage.

The JV Company shall be a generating Company and over the next three years, will establish and hold a portfolio of about 500 MW of renewable generation. Initially the business will primarily concentrate on wind power, mini and micro hydroelectric power projects, but the portfolio may also include other renewable power generation resources such as industrial cogeneration, waste-to-energy, solar, geothermal, bio mass and bio fuel projects.